

NATIONAL DEFENSE UNIVERSITY

NATIONAL WAR COLLEGE

**THE INTERAGENCY PROCESS PLACES THE DEFENSE EQUAL OPPORTUNITY
PROGRAM IN JEOPARDY**

EARL V. MCCALLUM, JR.

COURSE 5603

THE NATIONAL SECURITY STRATEGY PROCESS

SEMINAR I

PROFESSOR

DR. RICHARD MELANSON

ADVISOR

COL JACK LEONARD

Report Documentation Page			Form Approved OMB No. 0704-0188		
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE 2003		2. REPORT TYPE		3. DATES COVERED 00-00-2003 to 00-00-2003	
4. TITLE AND SUBTITLE The Interagency Process Places the Defense Equal Opportunity Program in Jeopardy				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) National War College, 300 5th Avenue, Fort Lesley J. McNair, Washington, DC, 20319-6000				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES The original document contains color images.					
14. ABSTRACT see report					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 13	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			

THE INTERAGENCY PROCESS PLACES THE DEFENSE EQUAL OPPORTUNITY PROGRAM IN JEOPARDY

INTRODUCTION: Why and how did the Department of Defense (DOD) in summer of 2001 budget drills cut 19 civilian positions effective in FY 03 from its 34 civilians assigned to the Defense Equal Opportunity Management Institute (DEOMI), threatening a reduction in force (RIF) and partial mission stoppage in DOD's only equal opportunity (EO) training school? Why and how did the DOD in 2002 direct reinstatement of the positions, and why is the reinstatement uncertain? The answers to these questions lie in the interagency budgeting and decision-making process, as well as the organizational cultures and individual personalities involved in the process.

This paper will analyze the interagency decision process that led to the 2001 reduction and the 2002 reinstatement of the positions. The analysis will focus on the 2001 and 2002 budget review and amendment process as well as the organizational cultures and individuals involved. This paper will analyze how those elements resulted in: 1) the unilateral July 2001 AF Deputy Chief of Staff for Personnel (AF DCS (P)) (as executive agent) decision to cut the 19 DEOMI positions, and 2) the August 2002 decision by the Assistant Secretary of the AF, Manpower and Reserve Affairs (ASAF (M&RA)) to reinstate the positions--a reinstatement action that remains uncertain. The reinstatement action appears uncertain because even though a 15 August 2002 ASAF (M&RA) senior executive memo to OSD claimed that the ASAF (M&RA) reinstated the positions, an 18 December 2002 email communication from ASAF (M&RA) and the AF Deputy Chief of Staff for Personnel (AF DCS (P)) action officers revealed that only FY 03 funding was definitely secured. The FY 04-09 funding remained questionable.

In looking at the interagency decision process, the DEOMI manpower reduction testifies to Jervis's hypothesis that "Actors often do not realize that actions intended to project a given image may not have the desired effect because the actions themselves do not turn out as planned."¹ Further, these events exemplify Bolman's and Deal's assertions that "Scarce resources and enduring differences give conflict a central role in organizational dynamics and make power the most important resource;" and "Goals and decisions emerge from bargaining, negotiation, and jockeying for position among different stakeholders."²

BACKGROUND: Civil rights, segregation, and inequality issues in the 1960s led to the creation of the Defense Racial Relations Institute (DRRI). After studying the violence and disorder in the late 1960's, and the possible causes and cures, a DOD task force published Directive 1322.11, establishing the DRRI.³

Over the years, the Institute took on a wide range of equal opportunity training and research tasks to meet the needs of field commanders and agency heads. As a result, the Institute now addresses a wide array of issues, including sexual harassment, sexism, extremism, religious accommodations, and anti-Semitism. Because of this growth, the Institute changed its name to DEOMI in July 1979. The Institute enhances combat readiness through positive human relations.⁴ Approximately 20,000 DEOMI graduates have served to enhance unit cohesion,

¹ Robert Jervis, "Hypotheses on Misperception," World Politics, Vol. 20, No. 3 (John Hopkins University Press, April 1968), 474.

² Lee G. Bolman and Terrence E. Deal, Reframing Organizations: Artistry, Choice, and Leadership, 2nd ed. (San Francisco, CA: Jossey-Bass, 1997), 163.

³ "DEOMI History", DEOMI web site, 18 December 2002. <<http://www.patrick.af.mil/deomi/About%20DEOMI/DeomiHistory.htm>> (18 December 2002).

⁴ Ibid.

combat readiness, and individual dignity throughout the active and reserve Services. Each year, hundreds of new graduates become equal opportunity advisors for commanders worldwide.⁵

Based on my personal experience and that of other experienced EO managers, EO programs such as DEOMI's typically go unnoticed by the general DOD population. EO receives little attention until problems arise. During highly visible EO flare-ups in the news media, DEOMI's importance becomes clear. Commanders also turn to DEOMI to solve routine equal opportunity issues not in the news media.

AF RESPONSIBILITY AS EXECUTIVE AGENT FOR DEOMI: To help ensure that DEOMI performs its DOD-wide equal opportunity education, training, and research mission, DOD Directive 1350.2 designated the AF as the executive agent for DEOMI. As such, the AF orchestrates support from all the Services to ensure DEOMI funding, manning, organization, logistics, administration, and mission accomplishment. The AF DCS (P) performs this role with ASAF (M&RA) oversight.

WHAT HAPPENED...THE AF MISTAKE: In the summer 2001 budget review process, the AF DCS (P) budgeting office cut 19 of DEOMI's 34 civilian positions effective in FY 03 based on a 1999 study which suggested, but did not mandate, manpower adjustments. The reduction appeared on DEOMI's manpower document in April 2002 projecting 19 civilians for RIF action in FY 03.

How did this happen? The number of positions provided to DEOMI from each Service was well established for years in OSD documents. How could AF cut them? In the summer of 2001a breakdown occurred in AF DCS (P) executive agent efforts to resource DEOMI.

⁵ Ibid.

A 1999 OSD-sponsored, joint-service manpower study recommended a 19-person decrease in AF personnel and a 19-person increase in Army personnel for the DEOMI staff based on each Service's "fair share" derived from each Service's percentage of total students taught at DEOMI. However, in the summer 2001 budget review and the intense search for dollar savings in personnel programs to stay within budget, the AF, as DEOMI executive agent, made the reduction in AF civilian positions at DEOMI without requesting or coordinating any 19-person increase from Army to offset the AF reduction, leaving DEOMI with a 19-person deficit.

The AF DCS (P) budget office did not coordinate the reduction with DEOMI or the EO offices in AF DCS (P), ASAF (M&RA), Army, and OSD who would have cared about EO programs and understood the impact. The lack of coordination with EO practitioners allowed the reduction action to go through the AF DCS (P), the AF Chief of Staff and the OSD Comptroller (OSD (C)) without notice during the 2001 budget amendment process. One year later, in the summer of 2002, an AF and OSD review of the 2001 process revealed that the AF DCS (P) budget office hid the 2001 reduction action by burying it in a large general personnel budget line. The AF DCS (P) budget office should have coordinated such a reduction in EO programs with EO managers in DCS (P) EO, ASAF (M&RA), DASD (EO), Army, and DEOMI who could defend DEOMI.

DISCOVERY OF THE AF's MISTAKE AND THE ENSUING DEBATE: In the summer of 2001, in the AF struggle to save AF money, a few AF DCS (P) budget action officers looked like heroes by stopping AF funding for Army's fair share of DEOMI manpower as shown in the manpower study. But in April 2002, their hero status changed quickly when the ASAF (M&RA), OSD, and DEOMI players received the new document showing the DEOMI

manpower reduction about which they knew nothing. In their view, there was no justification for the unilateral AF DCS (P) budget office action.

In April 2002, the DEOMI Commandant and DASD (EO) were the first to discover the reduction on the DEOMI manpower document. The Navy O-6 DEOMI Commandant was quick to pull in Deputy Assistant Secretary of Defense for Equal Opportunity (DASD (EO)) support to undo the AF reduction in DEOMI manpower. The DEOMI Commandant formally notified DASD (EO) and the AF that the reduction would cause mission stoppage and that it had already upset the civilians threatened by the possible RIF linked to the reduction. The DASD (EO) confronted the ASAF (M&RA) as executive agent to reinstate the 19 positions. In heated discussions and emails beginning in April 2002, the DASD (EO) chastised the ASAF (M&RA) because of AF DCS (P)'s action that cut the positions. As a vocal EO proponent for 30 years, the DASD (EO) generated visibility at the highest DOD levels to highlight AF's failure to fulfill its executive agent responsibilities to fully resource DEOMI. The DASD (EO) and his boss, the Assistant Secretary of Defense for Force Management Policy (ASD (FMP)) tasked the ASAF (M&RA) to correct the manning shortage the AF created for DEOMI. The ASAF (M&RA) tasked the AF DCS (P) to develop a solution.

From April through August 2002, the staffs of the ASAF (M&RA), DASD (EO), AF (DCS (P)), Army DCS (P), and DEOMI Commandant engaged in bureaucratic maneuvers and negotiations in attempts to assign DEOMI funding responsibility for 19 of its 34 civilian positions to AF or Army. AF DCS (P) pushed for Army funding based on "fair share" in the manpower study, based on the proportion of students from each Service. From the AF DCS (P) viewpoint, the "fair share" logic that levied the 19-person requirement on the Army was the right answer even though the study's manpower adjustments were not mandatory. But Army, DASD

(EO), and DEOMI pushed for continued AF funding, dismissing the manpower study's suggestions. They believed the executive agent should continue to fill all civilian employee requirements. The ASAF (M&RA) remained neutral, waiting for AF DCS (P)'s analysis and proposed solution before rendering an AF position/decision.

The debate centered on the manpower study, the history of DEOMI manpower distribution, and the scope of executive agent responsibilities. During the debate, the definition of executive agent responsibilities throughout DOD was in a state of flux. As a result of this flux, as well as differing views on the manpower study and fair share distribution, individuals within and among the organizations held conflicting views regarding AF versus Army funding for the 19 positions.

THE ASAF (M&RA) TAKES A STAND AND DIRECTS THE SOLUTION:

Finally, after growing tired of bickering between personnel in the AF manpower DCS, AF DCS (P), ASAF (M&RA), OSD, and Army regarding AF versus Army funding, the ASAF (M&RA) on 15 August 2002 took the position most politically correct as a team player in the DOD joint-service environment. The AF as executive agent would fund all civilian positions, contrary to advice from AF's experts on executive agent responsibilities.

The ASAF (M&RA) had several powerful advantages. First, he is the top AF manpower and personnel executive. Second, he had years of experience with executive agent and budgeting responsibilities, so he had the knowledge to argue that the AF as executive agent should fund the civilian positions even though AF executive agent experts disagreed. Third, he showed AF as a team player providing AF funding. Fourth, he had OSD backing at very high levels. Fifth, he pointed to a November 2000 Program Budget Decision signed by the Deputy Secretary of Defense making the AF responsible for all DEOMI civilian positions. As a result, the ASAF

(M&RA) was able to overcome inertia in his own staff, as well as the AF DCS (P) and the AF manpower DCS.

After meetings and correspondence with the key players, the ASAF (M&RA) signed a 15 August 2002 memo to the Assistant Secretary of Defense for Force Management Policy (ASD (FMP)) stating that the AF as DEOMI executive agent had restored funding to the 19 civilian positions.⁶ My 18 December 2002 conversations and correspondence with key DASD (EO) staffers revealed that they remained confident of the AF restoration and funding of the positions for FY 03-09 as indicated in the 15 August 2002 ASAF (M&RA) memo.⁷ My 18 December 2002 email communication with the DEOMI Commandant revealed he too was confident of the restoration.⁸ Still, as of 18 December 2002, email from the responsible AF action officer in DCS (P) budgeting indicated funding was uncertain for FY 04-09. The email stated that the FY 04-09 funding shifted to Army in late August 2002 budget meetings.⁹ A few weeks after the 19 December 2002 emails, an AF DCS (P) EO email stated AF funding for FY 04-09 was in place. Based on these conflicting reports, the FY 04-09 funding appears questionable.

Fortunately, for FY 03, the AF funding is in place for the 19 positions as promised in the 15 August 2002 ASAF (M&RA) memo to OSD, preventing an immediate RIF. The FY 03 funding restoration was relatively easy because the budgeting and manpower system provides

⁶ Michael Dominguez, ASAF (M&RA), "Defense Equal Opportunity Management Institute (DEOMI) Civilian Staff Reduction," official memo to OASD (FMP), 15 August 2002.

⁷ James Love, DASD (EO), phone interview by author, 18 December 2002.

⁸ CAPT Robert Watts, DEOMI Commandant, "DEOMI Civilian Positions," personal email (18 December 2002).

⁹ Capt Marvin Jordan, AF DCS (P) budgeting office, "Col W 11 Jun DAF DEOMI Civilian Positions," personal email (18 December 2002).

flexibility for one extension of one year in order to help prevent RIF actions. However, funding for FY 04-09 requires further attention even though the ASAF (M&RA) 15 August 2002 memo assured OSD funding was in place.

HOW AND WHY THE REDUCTION HAPPENED: Within the AF DCS (P) budgeting office managing personnel programs in the budget, the culture is one of fiscal responsibility and pressure to find ways to reduce costs in order to fit requirements within a limited budget. The fast-paced budget drills in the summer of 2001 created frantic searches for ways to fit desired personnel programs into a limited budget. The senior leadership drove the captains and field grade officers to find ways to cut items or divert them to other Services. The AF DCS (P) budget action officers quickly learned that savings initiatives were essential in the struggle to fund necessary personnel programs. The AF DCS (P) budgeting O-4 who led the DEOMI manning cut was involved in this intense drive for budget savings in the summer of 2001.¹⁰

Discussions in the spring of 2002 with the AF DCS (P) budgeting O-4 and other officers in AF DCS (P) revealed that, during the obsessive search for savings in the summer 2001 budget amendment process, they perceived the manpower study and its suggested manpower requirements for each Service as sufficient justification for the AF cut. Some AF DCS (P) action officers, in hindsight, now admit they too readily adopted the manpower study as justification for the reduction. After all, the study was not an authoritative document for manpower reductions. As described by AF DCS (P) and Air Staff manpower officers, the senior AF DCS (P) leadership quickly adopted the budget action officers' proposed reduction in large part because of the continuous pressure for cost savings to bring AF personnel programs within budget.

¹⁰ Maj Frank Hollie, DCS (P) budget office, multiple conversations, April-July 2002.

According to the AF DCS (P) O-4 budget officer's recollection, after reviewing the manpower study's proposed shift from AF to Army, he coordinated the AF cut with the previous DEOMI Commandant in the summer of 2001 via email, with the understanding that the Commandant would coordinate with the DASD (EO). However, in the April-August 2002 debate, the AF DCS (P) O-4 budget officer provided no copy of coordination with the Commandant, even when pressed in meetings with the ASAF (M&RA).¹¹ The DEOMI staff stated there was no coordination with them.¹² The senior executive DASD (EO) asserted that if there had been any coordination they would have stopped the reduction action and they would recollect the discussions. They reported that there was no such coordination.¹³ The O-6 budget officer in the Office of the Under Secretary of Defense (Personnel & Readiness) (OUSD (P&R)) also confirmed that OSD did not coordinate on or approve the 19-person AF reduction.¹⁴ The OSD and DEOMI Commandant statements were significantly more powerful than the AF DCS (P) budgeting O-4's claim that he had coordinated with the previous DEOMI Commandant.

The intense drive to save tight budget dollars was not the only cultural factor that led to the DEOMI reduction. Within AF DCS (P), the EO function is one of the least valued personnel programs, as it has been for many years from the author's perspective as a career personnel officer. Staff personnel may not publicly admit it, but in budget drills to save or find money, any possible EO savings (such as the 19 DEOMI positions the AF wanted to stop funding and shift to the Army) makes a prime target. The ASAF (M&RA) EO action officer confirmed that the AF

¹¹ Ibid.

¹² CAPT Robert Watts, DEOMI Commandant, email to DASD (EO), 11 April 2002.

¹³ Claiborne Houghton, DASD (EO), multiple conversations with author, April-May 2002.

¹⁴ Col Sid Evans, OUSD (P&R), phone conversation and email correspondence with author, 24 April 2002.

DCS (P) tendency to give EO a low priority was a factor in the DEOMI reduction.¹⁵ The culture within the ASAF (M&RA) reflected the thinking of the ASAF himself. He leaned toward being a DOD team player and protecting the DOD EO program...he placed the burden on his own Service rather than the Army. The ASAF (M&RA) saw the AF DCS (P) efforts to pass the buck to Army as politically unacceptable. The Army DCS (P) culture matched the AF DCS (P) budgeting office culture in that the overriding concern was cost avoidance. The Army DCS (P) players wanted to keep the cost outside of the Army's budget more than they wanted to be team players in any fair share distribution of manpower.

AF DCS (P) IMPLEMENTATION OF THE ASAF (M&RA) SOLUTION FOR FY 04-09 APPEARS UNCERTAIN: Despite the ASAF (M&RA) memo stating he had restored funding to the 19 positions, December 2002 emails and phone interviews with ASAF (M&RA) and AF DCS (P) action officers revealed that the funding remains uncertain and that funding may have shifted to Army in late August. The AF DCS (P) budget officer said he needed to track it down. His tracking will entail research with the AF DCS (P) budget office, OSD, the AF manpower DCS, and the Army. His tracking may continue until FY 04 begins. Why does implementation remain uncertain? Based on my observations, the answer is that the budgeting process had too many players in AF DCS (P), ASAF (M&RA), OSD, DEOMI, and Army pulling in different directions at different times. As a result, the implementation of the ASAF (M&RA) decision for AF funding was fraught with complicated processes that enabled action officers to pass the buck among various AF DCS (P), SAF, AF manpower DCS, Army, OSD, and DEOMI offices. Based on my observations, junior and senior officers in the AF DCS (P) budgeting office and the AF manpower DCS did not agree with the ASAF (M&RA) decision for AF

¹⁵ Lt Col Kevin Driscoll, ASAF (M&RA), phone interview with author, 9 January 2003.

funding, so they used the ambiguity in the budget process to delay implementation of the ASAF (M&RA) decision for AF funding. During the April-December 2002 period, each question I asked of action officers led to other AF DCS (P), manpower, OSD, DEOMI, and Army action officers' conflicting stories and elusive corrective actions. The dispersed responsibility fostered delays in implementation of the ASAF (M&RA) decision.

CONCLUSION: In researching the events over the past 18 months involved in the DEOMI civilian manpower reduction and the struggle to restore it, I discovered that the elements of the interagency process that we studied directly influenced the course of events. The interagency budgeting and decision-making process, as well as the organizational cultures and individual personalities drove the actions to delete the manpower in 2001 and then finally restored the manpower for FY 03 after the April-August 2002 interagency struggle. The same process, people, and cultures finally produced an AF decision to restore the manpower for FY 04-09. But because of differing opinions on executive agent and funding responsibilities, cultural factors, and process ambiguities and complexities that disperse responsibility for budget actions, funding for FY 04-09 remains uncertain. It became apparent that in any struggle to lead action in the interagency process and make budget and manpower adjustments, it is best to have a solid understanding of the various organizational cultures, personalities, and processes. Based on the uncertain implementation of the ASAF (M&RA) decision, I learned senior executive authority combined with knowledge of the issue and political awareness can produce solutions, but it takes continuous focus by interested parties to follow through to final resolution of interagency issues.

Bibliography

Bolman, Lee G. and Deal, Terrence E., Reframing Organizations: Artistry, Choice, and Leadership, 2nd ed. (San Francisco, CA: Jossey-Bass, 1997), 163.

DEOMI web site, "DEOMI History", 18 December 2002. <<http://www.patrick.af.mil/deomi/About%20DEOMI/DeomiHistory.htm>> (18 December 2002).

Dominguez, Michael, ASAF (M&RA). "Defense Equal Opportunity Management Institute (DEOMI) Civilian Staff Reduction." 15 August 2002. Official memo to OASD (FMP) (15 August 2002).

Driscoll, Kevin, Lt Col, ASAF (M&RA), phone interview with author, 9 January 2003.

Evans, Sid, Col, OUSD (P&R), phone conversation and email correspondence with author, 24 April 2002.

Hollie, Frank, Maj, AF DCS (P) budget office, multiple conversations, April-July 2002.

Haughton, Claiborne, DASD (EO), multiple conversations, April-May 2002.

Jervis, Robert. "Hypotheses on Misperception." World Politics, Vol. 20, No. 3. (John Hopkins University Press, April 1968), 474.

Capt Marvin Jordan, AF DCS (P) budgeting office. "Col W 11 Jun DAF DEOMI Civilian Positions." 18 December 2002. Personal email (18 December 2002).

Love, James, DASD (EO). Phone interview by author, 18 December 2002.

Watts, Robert, CAPT, DEOMI Commandant. "DEOMI DAF Civilian Billet Cuts." 11 April 2002. Personal email (11 April 2002).

Watts, Robert, CAPT, DEOMI Commandant. "DEOMI Civilian Positions." 18 December 2002. Personal email (18 December 2002).